

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE
CONTRACT 35 (MC2017-23)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2017-43

**USPS NOTICE OF AMENDMENT TO
PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE CONTRACT 35,
WITH PORTIONS FILED UNDER SEAL**
(November 28, 2017)

The Postal Service hereby provides notice that the terms of Priority Mail & First-Class Package Service Contract 35, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail & First-Class Package Service Contract 35 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective two business days following the day that the Commission completes its review.

This amendment will not have a material effect on the cost coverage of Priority Mail & First-Class Package Service Contract 35. Therefore, the supporting financial documentation and financial certification initially filed in this docket remain applicable. The Postal Service hereby incorporates by reference the Application for Non-Public Treatment originally filed in this docket, for the protection of the customer-identifying information that has been filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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November 28, 2017

ATTACHMENT A

**REDACTED AMENDMENT TO
PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE CONTRACT 35**

AMENDMENT #1
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[REDACTED]
REGARDING
PRIORITY MAIL SERVICE
AND
FIRST-CLASS PACKAGE SERVICE

WHEREAS, the United States Postal Service (“the Postal Service”) and [REDACTED] (“Customer”) entered into a Shipping Services Contract, Priority Mail & First-Class Package Service Contract 35/Docket No. CP2017-43, regarding Priority Mail Service & First-Class Package Service on November 15, 2016.

WHEREAS, the Parties desire to amend the terms in Sections I.B., I.C., I.E., I.F., and I.G.1. through I.G.3. of the Contract.

NOW, THEREFORE, the Parties agree that the Contract is hereby amended as detailed below. The existing Contract remains unchanged in all other respects. This amendment shall become effective two (2) business days following the day on which the Commission issues all necessary regulatory approval.

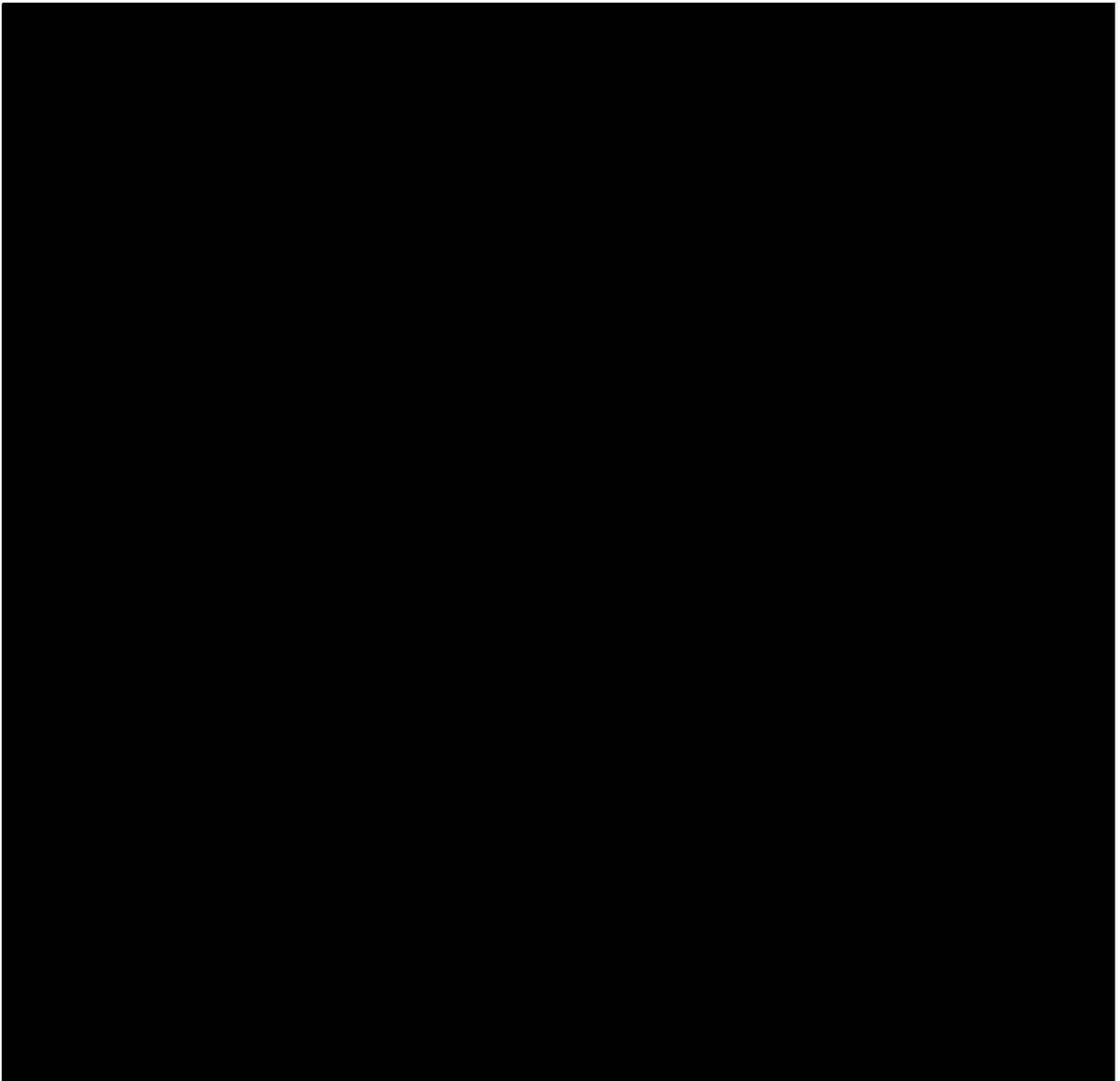
[Replace Sections I.B., I.C., I.E., I.F., and I.G.1. through I.G.3., as follows.]

I. Terms

- B. This Contract applies to Customer’s distribution center inbound and outbound Priority Mail packages [REDACTED] and Customer’s First-Class Package Service – Commercial packages [REDACTED] (collectively “Contract Packages”).
- C. Customer will manifest Contract Packages as specified by the Postal Service, using a separate permit number and/or PC Postage account to ship such packages, and will use the Electronic Verification System (“eVS”), other USPS approved manifest systems, or USPS approved PC Postage vendors for payment of such packages. Customer shall provide the Postal Service, in writing, a list of its permit numbers and/or PC Postage accounts for approval. Contract pricing for any newly approved permits and/or PC Postage accounts will be effective within fifteen (15) business days after the Postal Service receives written notification from Customer. Only Contract Packages, and Customer’s other Priority Mail and First-Class Package

Service – Commercial packages, shipped from authorized permits and/or PC Postage accounts shall count toward the volume commitment in Section I.E below.

- E. Volume Commitment. Customer should ship at least [REDACTED] Contract Packages, plus other Priority Mail and First-Class Package Service – Commercial packages annually.
- F. Contract Package Prices. The Priority Mail prices, outlined in Table 1 below, and the First-Class Package Service - Commercial prices, outlined in Table 2 below, apply to Customer's Contract Packages from the effective date of this Amendment until January 31, 2018.




G. Annual Adjustment.

1. For subsequent years of the Contract, beginning February 1, 2018 and each February 1st thereafter, the customized Priority Mail Contract Package prices under this Contract will be the lesser of: (a) the previous year's prices plus the most recent (as of the anniversary date) percentage change in prices of general applicability for Priority Mail Commercial Plus, as calculated by the Postal Service, or (b) the previous year's prices plus [REDACTED]
2. For subsequent years of this Contract, beginning February 1, 2018 and each February 1st thereafter, customized First-Class Package Service Contract Package prices under this Contract, will be the lesser of: (a) the previous year's prices plus the most recent (as of the anniversary date) percentage change in prices of general applicability for First-Class Package Service - Commercial, or (b) the previous year's prices plus [REDACTED]
3. Customized prices for the subsequent years will be calculated by the Postal Service and rounded up to the nearest whole cent. If the Postal Service maintains or decreases published rates of applicability for Priority Mail Commercial Plus or First-Class Package Service - Commercial, there shall be no change to the Contract pricing for that Contract year for the respective product.

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed
as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by: 

Printed Name: Cliff Rucker

Title: Senior Vice President, Sales and Customer Relations

Date: 11/22/17

